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**DPD-3923-59**

**24 June 1959**

**MEMORANDUM FOR THE RECORD**

**SUBJECT : Concurrence in Contract No. SP-1920 with  
Lockheed Aircraft Corporation, Burbank,  
California, GARFISH, Project CHALICE**

1. This memorandum contains a recommendation submitted for concurrence of the undersigned. Such recommendation is contained in Paragraph 5.
2. Contract No. SP-1920 covers modification, as necessary, of Government-owned U-2 aircraft and installation of Government-owned J-75-P2 engines. Related spares and Ground Handling Equipment for initial operation will also be supplied. The contract is a price redetermination type and supersedes Letter Contract No. SP-1920, dated May 18, 1959. The target price is \$1,492,500 with a ceiling price of \$1,642,500. Program Approval CHAL-0589 and Sup. No. 1 CHAL-0699 cover this work.
3. Definitive contract obligates an additional \$892,500 chargeable to FY 1959 CHALICE funds which brings the total obligation to \$1,642,500. \$890,000 was previously obligated against the Letter Contract. By concurrence to this memorandum the Comptroller signifies that sufficient funds are available for this obligation.
4. Certification of funds for this contract will be handled under the procedure approved by the Director of Central Intelligence on 15 December 1956 which, in effect, results in all covert expenses involving issuance of Treasury Checks being accumulated in a separate account within the Finance Division. The amounts in this account will be periodically scheduled for certification of the vouchers by the Director. This procedure eliminates the necessity for a separate certification of authority under Section 8(b) of Public Law 110, 81st Congress, (formerly 10(b) see 85-507 dtd. 7/7/58) for each contract.

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5. Concurrence in Contract No. SP-1920 is recommended.

[Redacted Signature]

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Contracting Officer, DPD

**CONCURRENCES:**

[Redacted Signature]

4/26/59  
Controller, DPD

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[Redacted Signature]

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Chief, Developments Branch, DPD

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Office of General Counsel

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